

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of	)	CA 02-26
	)	
RMY CONSTRUCTION, INC. and	)	
Russell M. Yamamoto,	)	
	)	
Respondents.	)	
_____	)	

CONCILIATION AGREEMENT

On or around June 2002, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents RMY Construction, Inc. and Russell M. Yamamoto (RMY"). Business Registration Division records list RMY as doing business in general contracting, whose business address is 815 Waimanu Street, Honolulu, Hawaii. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, RMY and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.

- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waive the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  - 1. On or around June 2002, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Mufi Hannemann campaign committee ("Hannemann"), initiated an investigation involving excess contributions in violation of section 11-204(a), HRS.
  - 2. Section 11-204(a)(1)(C), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
  - 3. Section 11-204(h), HRS reads in part as follows: an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.

4. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property, or money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
5. The election period for Mufi Hannemann and the Hannemann campaign committee include the period from November 6, 1996 to November 7, 2000.
6. On or about August 4, 2000, RMY made a contribution to Hannemann in the amount of \$4,000.
7. On or about September 15, 2000, Patricia Yamamoto, wife of Russell Yamamoto and office manager of RMY made a contribution to Hannemann in the amount of \$4,000.
8. On or about September 15, 2000, Jan K. Murakami, estimator for RMY made a contribution to Hannemann in the amount of \$1,000.
9. That aggregate contributions by RMY and individuals associated with RMY totaled \$9,000 to the Hannemann campaign committee for the 2000 election period.
10. On or about June 28, 2001, Patricia A. Yamamoto made a contribution to Hannemann in the amount of \$4,000.
11. On or about June 29, 2001, Russell M. Yamamoto made a contribution to Hannemann in the amount of \$4,000.

12. On or about June 26, 2001, Jan K. Murakami made a contribution to Hannemann in the amount of \$1,000.
13. That aggregate contributions by RMY and individuals associated with RMY totaled \$9,000 to the Hannemann campaign committee for the election period following the 2000 election period.
14. RMY acknowledges that a false name contribution of \$1,000 had been made to the Hannemann campaign committee for the 1996 - 2000 election period, in violation of section 11-202, HRS.
15. RMY acknowledges that a false name contribution of \$1,000 had been made to the Hannemann campaign committee for the period following the 2000 election period, in violation of section 11-202, HRS.
16. That RMY failed to file an organizational report pursuant to section 11-194, HRS.
17. That RMY failed to file disclosure reports pursuant to sections 11-212 and 11-213, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #02-26, RMY understands and agrees to the following:

- (A) RMY agrees to an assessment of **Two Thousand Five Hundred Dollars (\$2,500)** pursuant to section 11-228, HRS.

- (1) For violation of section 11-202, HRS, making a false name contribution to the Hannemann campaign committee for the 1996 - 2000 election period;
- (2) For violation of section 11-202, HRS, making a false name contribution to the Hannemann campaign committee for the election period following the 2000 election period;
- (3) For violation of sections 11-194, 11-212 and 11-213, HRS, failure to file an organizational report and required disclosure reports.

(B) RMY agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.

(C) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.

- X. This Agreement constitutes the entire agreement between the Commission and RMY on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

**FOR THE COMMISSION:**

Robert Y. Watada, Executive Director

By: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR THE RESPONDENTS:**

Russell M. Yamamoto

By: \_\_\_\_\_

Date: \_\_\_\_\_

(Name)

(Title)